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25X1 EXCESSIVE CONSTRUCTION COST AT METALLURGICAL COMBINE EAST

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cost estimates for the investment project for construction work to be done on the Metallurgical Combine East (Eisenhuettenkombinat Ost) by the Fuerstenberg/ Oder construction union. An examination of the costs shows that the construction union's bids are 43-45 percent above what they should be.

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| <u>Bids for</u>                                     | <u>Cost according to Construction Union Bids</u> | <u>Cost According to Examination</u> | <u>Difference</u> |
|---|--|--------------------------------------|-------------------|
| Construction of the disintegrator shed              | 491,604.70                                       | 434,279.83                           | 57,324.87         |
| Excavation work for mixing bunker installation      | 69,100.95  | 59,106.35                            | 9,994.60          |
| Excavation work for connecting channels (Bandkanal) | 81,172.74  | 71,727.92                            | 9,444.82          |
| Excavation work for coke and flue dust bunkers      | 55,406.02  | 48,054.07                            | 7,351.95          |
| Excavation work for coarse ore bunkers              | 196,423.54                                       | 186,918.02                           | 9,505.52          |
| Excavation work for ore bed installations           | 290,170.23                                       | 269,925.24                           | 20,244.99         |
| Bunker installation for blast furnace I             | 2,712,193.19                                     | 2,309,590.08                         | 402,603.11        |
| Foundation work for mechanical workshop             | 29,570.60  | 28,300.82                            | 1,269.78          |
| Excavation for feed-water pipes                     | 696,578.51                                       | 573,010.38                           | 123,568.13        |
| Excavation for heroes' cemetery I Ziltendorf [I]    | 22,385.18  | 20,407.54                            | 1,977.64          |
| Excavation work on the plant road                   | 20,784.46  | 19,515.94                            | 1,268.52          |
| Building of two parking lots at entrance to the EKO | 7,535.00   | 4,070.00                             | 3,465.00          |

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